

**INTERLOCAL AGREEMENT
FOR THE JOINT ESTABLISHMENT OF THE
KING COUNTY REGIONAL HOMELESSNESS AUTHORITY**

THIS INTERLOCAL AGREEMENT FOR THE JOINT ESTABLISHMENT OF THE KING COUNTY REGIONAL HOMELESSNESS AUTHORITY (this “Agreement”) dated this ____ day of _____, 2019, incorporating all exhibits hereto, is entered into by and between the parties that execute this Agreement from time to time.

RECITALS:

WHEREAS, the federal and state government, King County (the “County”) and jurisdictions across the County, including the City of Seattle (“Seattle”), currently fund programs to provide services to individuals and families experiencing homelessness, but homelessness and housing insecurity remain a chronic and serious problem; and

WHEREAS, the County and Seattle have entered into a Memorandum of Understanding dated May 3, 2018, proposing a partnership to more effectively and consistently coordinate their provision of such services; and

WHEREAS, cities and counties are authorized to enter into interlocal cooperation agreements in accordance with chapter 39.34 RCW (the “Interlocal Cooperation Act”) to jointly provide services; and

WHEREAS, cities and counties are authorized to charter public corporations in accordance with RCW 35.21.730 through 35.21.755 for any public purpose, including to administer such joint efforts; and

WHEREAS, Seattle and the County have determined that a public corporation chartered to coordinate services within an equitable operational framework centering on people with lived experience will enable and facilitate joint planning, program funding, and the establishment of standards for and accountability of programs thereby improving the delivery of services and enhancing outcomes for those receiving such services; and

WHEREAS, Seattle and the County have committed to assessing the needs and specific recommendations for homelessness solutions through a Regional Action Plan; and

WHEREAS, the parties hereto now desire to enter into this Agreement for the purpose of facilitating the formation, administration, and operation of a public development authority (as further defined herein, the “Authority”) to be chartered by the County;

NOW THEREFORE, it is hereby agreed and covenanted among the undersigned as follows:

Section 1. Definitions. In addition to the terms defined in the Recitals above, which are incorporated herein, the following terms shall have the meanings set forth below:

“Additional Party” means any municipal corporation, governmental agency or public entity located within King County, other than Seattle and the County, that has executed this Agreement or an amendment to this Agreement, or has otherwise accepted and assumed the terms of this Agreement from time to time.

“Advisory Committee” means the committee created by the Governing Board to serve in an advisory capacity to such Board pursuant to the Charter.

“Agreement” means this Interlocal Agreement for the Joint Establishment of the King County Regional Homelessness Authority, as it may be amended from time to time.

“Authority” means the King County Regional Homelessness Authority chartered by the County pursuant to the Enabling Ordinance and this Agreement.

“Charter” means the Charter of the Authority, as it may be amended from time to time. A form of the Charter is attached hereto as Exhibit A.

“County” means King County, a municipal corporation organized under the laws and statutes of the State.

“County Council” means the legislative authority of the County.

“County Executive” means the King County Executive.

“Customers” mean individuals and families experiencing homelessness or who are at imminent risk of experiencing homelessness.

“Effective Date” means the date that this Agreement becomes effective between the County and Seattle as the initial Parties hereto, which shall be _____, 2019.

“Five-Year Plan” means the five-year implementation plan developed by the Authority, approved by the Governing Board, and confirmed by the Steering Committee in accordance with this Agreement and the Charter. The Five-Year Plan shall incorporate requirements of the Service Agreements from funders and align with the Regional Action Plan, if any, to guide the Authority’s operations.

“Governing Board” means the Board of Directors of the Authority, as the same shall be duly and regularly constituted from time to time under the terms of the Charter.

“Homeless Services” means shelter, day centers, hygiene facilities, housing, and related services to assist Customers.

“Interlocal Cooperation Act” means chapter 39.34 RCW as the same may be amended from time to time.

“Lived Experience” means current or past experience of housing instability or homelessness, including individuals who have accessed or sought homeless services while fleeing domestic violence and other unsafe situations.

“Party” or “Party to this Agreement” means the County, Seattle, and any Additional Party.

“RCW” means the Revised Code of Washington.

“Regional Action Plan” or “RAP” means the plan created to identify regional resource needs and guide decision making goals.

“Seattle” means the City of Seattle, a municipal corporation organized under the laws and statutes of the State.

“Seattle City Council” means the legislative authority of Seattle.

“Seattle Mayor” means the Mayor of Seattle.

“Service Contract” means each of the agreements or contracts for the funding of the Authority and/or the services to be provided by the Authority to a Party.

“State” means the State of Washington.

“Steering Committee” means the oversight committee established pursuant to the Charter.

“Sub-Regional Planning” means efforts to analyze and articulate local needs, priorities and solutions to address homelessness across the different areas of the County, inclusive of Seattle and north, east, south, and rural King County.

Section 2. Purpose of this Agreement; Creation of Authority; Principles; Steering Committee; Appointment of Governing Board; Scope of Work.

(a) *Purpose of this Agreement.* The purpose of this Agreement is (i) to authorize the chartering of a public development authority by the County for the purpose of coordinating the provision of services to Customers within King County, and (ii) to establish the terms and conditions under which the Parties will provide funds, staff and oversight to the Authority.

(b) *Creation of the Authority; Jurisdiction; Eligibility of Additional Parties.* The County agrees to charter the Authority and approve its Charter substantially in the form attached hereto as Exhibit A, subject to the terms and conditions set forth herein. The Parties hereto approve

the form of Charter substantially in the form attached hereto and explicitly authorize the Authority to act within their respective jurisdictions.

Additional Parties, including but not limited to cities, housing authorities, and other public entities located in King County, may from time to time become a Party to this Agreement to take advantage of the efficiencies of scale created by the Authority structure. Additional Parties must be committed to align provision of in-scope homelessness response services with the Authority's Five-Year Plan and other organizational goals and policies. The legislative authority of any entity satisfying the eligibility criteria set forth in this Agreement shall take such action as is necessary under local rules and the Interlocal Cooperation Act to approve the execution of this Agreement or to otherwise agree to be bound by its terms.

(c) *Principles.* The Parties agree that the establishment of the Authority is necessary to consolidate homeless response systems under one regional authority which acts according to the following principles:

1. The Authority shall establish processes to ensure accountability to its Customers, its contract agencies, its funders, and the public.

2. The Authority shall be accountable in its decision-making processes and strategic planning to its Customers' experiences and to persons with Lived Experience.

3. The Authority shall address racial-ethnic and other statistical disproportionalities amongst the population of people experiencing homelessness, including addressing racial-ethnic inequities in the development, delivery, and evaluation of services in the homeless service system. The Authority shall proactively seek to eliminate disproportionalities in the population experiencing homelessness and outcomes for people experiencing homelessness by directly addressing structural racism, ableism, homophobia, transphobia, misogyny and other sources of inequities.

4. The Authority shall establish clear protocols for decision making that are easily understood by community members, Customers, and other stakeholders. These protocols shall have a clear process for Customer and provider input.

5. The Authority shall make data-driven decisions and develop policies and practices to incorporate best practices and quantitative and qualitative data in the development of policies, programs, and funding decisions. It shall collect and analyze a broad array of data reflecting the performance and impact of its funded programs. The Authority shall collect and analyze data that enables tailored approaches for communities disproportionately impacted by the experience homelessness and different sub-regions within King County. The Authority shall establish community-informed indicators, performance measures, and outcomes that draw on both quantitative and qualitative data.

6. The Authority shall seek, where possible and as revenue and budgeting allows, to implement and support contracting processes and provider staff pay structures that

promote high quality services, service system professionalization, and reduction of undue provider staff turnover.

7. The Authority shall create long-term institutional alignment across systems to meet the needs of people at imminent risk of becoming homeless and those experiencing homelessness. The Authority shall adopt an evidence-based, housing first orientation and shall inform and support regional efforts to increase development of new 0 – 30% AMI housing and preserve existing affordable housing, with a priority for permanent supportive housing.

8. The Authority shall value distinctions in local context, needs and priorities through effective Sub-Regional Planning. The Authority shall provide capacity to work with stakeholders from geographically diverse parts of the region to analyze, identify, and implement priority services distinct to those sub-regions. Sub-regions shall be defined by the Authority, taking into consideration established sub-regional definitions including the spheres of influence for A Regional Coalition for Housing (ARCH) and the South King Housing and Homeless Partners (SKHHP) as well as any established County guidance.

(d) *Steering Committee.* The Parties agree that a Steering Committee shall be formed to carry out the enumerated duties set forth in Article VII, Section 1 of the Charter. The Steering Committee shall be composed of those individuals representing people with Lived Experience and elected officials as described in the Charter. Duties of the Steering Committee are set forth in the Charter and include confirming Governing Board Members and receiving and confirming the Authority annual budget, the Five-Year Plan, and performance reports from the Governing Board.

(e) *Appointment of Governing Board.* The Parties agree that the initial Governing Board shall be appointed and confirmed as described in Article VII, Section 2 of the Charter. Members of the initial Governing Board shall be appointed by the Seattle Mayor, the Seattle City Council, the County Executive, the County Council, and the two Members of the Steering Committee representing persons with Lived Experience, confirmed by the Steering Committee, and shall serve for the terms set forth in the Charter.

Commencing five years after the formation of the Authority, the Governing Board shall become self-perpetuating and Governing Board Members shall be nominated as provided in the Charter and confirmed by the Steering Committee.

(f) *Composition of Governing Board.* The Governing Board shall provide strategic vision, community accountability and robust oversight for the Authority, and shall use skill-based criteria and representational standards for appointments. The Governing Board shall be comprised of eleven Members possessing the characteristics, expertise and skills described in the Charter.

(g) *Composition of Advisory Committee.* The Governing Board shall recognize or establish an Advisory Committee to serve in an advisory capacity to the Governing Board and to provide a broad array of perspectives as set forth in the Charter.

(h) *Scope of Work.* In addition to complying with the terms of Service Contracts that provide funding to the Authority, the Authority will, among other things:

1. Develop for Governing Board approval, within six months of formation, an initial work plan that describes an organizational structure, a plan for initial implementation of contracted Homeless Services on behalf of the County and Seattle under the terms of their respective Service Contracts, and a description of major goals and activities that the Authority will undertake until approval of its first Five-Year Plan.

2. Within the first 18 months of operations, the Authority shall work with current and former Customers and other stakeholders to develop a Five-Year Plan. The Authority's Five-Year Plan shall be informed by the Regional Action Plan, adopted by the Governing Board, confirmed by the Steering Committee and periodically updated. The Five-Year Plan shall:

i. include a theory of change;

ii. include specific, measurable actions, informed by the Regional Action Plan, that the Authority will take; and

iii. include Sub-Regional Planning.

3. Develop processes for procurement of services addressing homelessness.

4. Develop form contracts with service providers with consistent terms, conditions and performance evaluation criteria.

5. Develop consistent standards for the comprehensive data collection, monitoring, and evaluation of systems and program performance.

6. Support continuous improvement of key system interventions (such as emergency services and homeless housing) and evaluate community impact, including community engagement, Customer engagement, and continuum of care compliance, and support an Office of the Ombuds.

Section 3. Provision of Funds; Audits.

(a) The Authority shall annually submit a proposed budget request to each of the Parties, consistent with the budget adopted by the Governing Board and confirmed by the Steering Committee, in accordance with the Charter. Budget requests shall be made by the Authority to the Parties at the time and in the form as determined to be necessary to comply with the fiscal and budget cycles of the individual Parties and that is consistent with the resources provided by the Parties. Each Party shall review the proposed budget request and strive to allocate funds to the Authority consistent with the budget request and overall Five-Year Plan; provided, that the County's review and allocation shall be based on its biennial budget.

The County shall serve as treasurer to the Authority.

(b) It is Seattle's intent to provide the same funding to the Authority that it budgeted in 2019 for the Homeless Services contracts anticipated to be transferred to the Authority and related administrative expenses. In 2019 that amount is approximately \$73,000,000. In accordance with the foregoing, Seattle anticipates providing the following to the Authority, in all cases subject to annual budget appropriations:

1. Initial, start-up funding of no more than \$2,000,000 for calendar year 2020 (or a pro rata portion if the Authority commences operations later than January 1, 2020), the Authority's expected first year of operation; and

2. Program and administrative funding of no less than \$73,000,000 for 2020 (or a pro rata portion commensurate with the needs of the Authority if the Authority commences administration of Homeless Services contracts later than January 1, 2020) and for each of the following three years, and thereafter, funding as necessary for the Authority to acquire through contract Homeless Services and to fund the administrative costs of the Authority; provided, that such administrative funding shall be inclusive of wages and benefits.

(c) It is the County's intent to provide the same funding to the Authority that it budgeted in 2019 for the Homeless Services contracts anticipated to be transferred to the Authority and related administrative expenses. In 2019 that amount is approximately \$55,000,000. In accordance with the foregoing, the County anticipates providing the following to the Authority, in all cases subject to budget appropriations:

1. Initial, start-up funding of no more than \$1,300,000 for calendar year 2020 (or a pro rata portion if the Authority commences operations later than January 1, 2020), the Authority's expected first year of operation; and

2. Program and administrative funding of no less than \$55,000,000 for 2020 (or a pro rata portion commensurate with the needs of the Authority if the Authority commences administration of Homeless Services contracts later than January 1, 2020) and for each of the following three years, and thereafter, funding as necessary for the Authority to acquire through contract Homeless Services and to fund the administrative costs of the Authority; provided, that such administrative funding shall be inclusive of wages and benefits and the cost of the space contributed by the County described in subparagraph (d) below.

(d) The County agrees to make facilities available to the Authority for Authority operations. The County's funding to the Authority in subparagraph (c) above shall include the value of County space contributed by the County to the Authority. Seattle's funding in subparagraph (b) above shall be reduced to the extent Seattle directly pays for programs and administration during a transition period. The County's funding in subparagraph (c) above shall be reduced to the extent the County directly pays for programs and administration during a transition period.

(e) All Additional Parties shall either provide funds to the Authority or align the provision of related services consistent with annual budget requests, the Five-Year Plan, and goals and policies as adopted by the Governing Board and ratified by the Steering Committee, in

accordance with the Charter. The Authority shall fund services across the County regardless of whether a local jurisdiction is a Party to this Agreement.

(f) The Parties that provide resources to the Authority will enter into separate Service Contracts with the Authority setting forth their respective processes to provide resources to the Authority pursuant to the terms and conditions set forth herein and in the Service Contracts. Resources are defined as those funds, personnel time, and facility space provided to support the operation of the Authority or the operation of services.

(g) The Parties will use best efforts to coordinate the development of their respective Service Contracts to ensure consistency and that the Authority will be provided adequate resources and personnel to optimize the provision of services with appropriate accountability.

(h) If the Authority applies for and receives monies which had, in prior years, been awarded to one of the Parties, then (1) in future years, the amount of such monies shall be included as part of the contribution by the prior grant recipient, and (2) the Authority shall give first priority to providing services to those persons who were previously served by the grant funds.

(i) In the event of reductions or eliminations of funding available for homelessness program or services assigned to the Authority through the Service Contract, a Party may proportionately reduce its funding obligation to the Authority under this Agreement.

(j) The Authority shall comply with all federal, State, Seattle, Additional Party, and County statutory and legal requirements, as applicable, in respect to all grant funds contributed by each Party.

(k) The Authority shall be subject to annual audit by the State Auditor, and by Seattle and County at the option of each.

Section 4. Information Required for Oversight of the Authority. Each of the Service Contracts shall include provisions obligating the Authority to provide the following minimum information to each Party:

(a) An annual operating budget displaying the various sources and uses of Authority revenues, with expenditures aggregated and disaggregated based on source;

(b) Quarterly reporting on expenditures against budget, as well as full transparency into on-going spending provided by access to the Authority's financial systems;

(c) Standards and procedures for the awarding of contracts to service providers, including means to measure outcomes;

(d) Annual reports showing comparative outcomes by service providers and evaluations of contract performance;

(e) A Five-Year Plan for the funding of Homeless Services, updated as set forth in the Scope of Work; and

(f) An annual performance update on the Five-Year Plan.

Section 5. Initial Duration; Withdrawal and Termination; Termination of the Authority.

(a) *Initial Term.* The initial duration of this Agreement shall be year to year with an automatic renewal for an indefinite period from its Effective Date.

(b) *Withdrawal from Agreement; Termination by the Parties.* Any Party to this Agreement may withdraw its participation in this Agreement (and corresponding representation on the Governing Board) by providing written notice to the other Party or Parties hereto. No Party is permitted to withdraw until this Agreement has been in force at least five (5) years from the initial Effective Date. Once this Agreement has been in force for five (5) years from the initial Effective Date, any Party may withdraw by providing at least one-year notice of its intent to withdraw.

(c) *Termination of the Authority.* The County Council may terminate the Authority with an affirmative finding of the Seattle City Council that dissolution is warranted, with the concurrence of any Additional Parties, as further provided in the Charter. Furthermore, upon expiration of this Agreement or termination of this Agreement by the Parties hereto, the County Council may, in its discretion, terminate the Charter of the Authority.

Section 6. Service Contracts for the Provision of Homeless Services. Nothing herein or in the Charter shall prohibit the Authority from entering into contracts with other cities, municipalities or public agencies within King County for the provision of Homeless Services without the necessity of such city, municipality or public agency becoming a party to or assuming the provisions of this Agreement, so long as (i) such contracts are subject to the availability of grant or other funding, (ii) such contracts are available for review by the Parties, (iii) any contract with such party provides for that entity to assume a proportional share of Authority operating expenses and service funding, and (iv) such contracts do not impair the obligations of the Authority to any Party or any other contractors.

Section 7. Amendments to Agreement. This Agreement may be amended by the mutual consent of the Parties hereto upon approval of the legislative authorities (city council, board, or County Council) of each Party.

Notwithstanding the foregoing, this Agreement may be amended upon approval of the County Executive and Seattle Mayor to add an Additional Party to this Agreement so long as the amendment or assumption document does not materially impact the rights of the then-current Parties to this Agreement. The Parties to this Agreement hereby authorize subsequent modifications to this Agreement by the County Executive and the Seattle Mayor for such purpose.

Except as provided in the preceding paragraph, no additions to or alterations of the terms of this Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of all Parties.

Section 8. Miscellaneous Provisions.

(a) *Waiver.* No officer, employee, or agent of the Parties hereto has the power, right, or authority to waive any of the conditions or provisions of this Agreement. No waiver of any breach of this Agreement by any Party shall be held to be a waiver of any other or subsequent breach. Failure of a Party to enforce any of the provisions of this Agreement or to require performance of any of the provisions herein, shall in no way be construed to be a waiver of such conditions, nor in any way effect the validity of this Agreement or any part hereof, or the right of a Party to hereafter enforce each and every such provision.

(b) *Integration.* This Agreement contains all of the terms and conditions agreed upon by the Parties hereto concerning the establishment of the Authority. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto. The Parties have read and understand all of this Agreement, and now state that no representation, promise, or agreement not expressed in this Agreement has been made to induce the officials of the Parties hereto to execute this Agreement.

(c) *Severability.* In the event any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be effected or impaired thereby.

(d) *Hold Harmless; No Liability.* To the maximum extent permitted by law, each Party hereto shall indemnify and hold harmless the other Parties and its or their agents, employees, and/or officers, from any and all costs, claims, judgments, or awards of damages arising out of the negligent acts or omissions of such indemnifying Party, its officers, employees or agents and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the other Parties arising out of, in connection with, or incident to this Agreement and the indemnifying Party's negligent performance or failure to perform any aspect of this Agreement. In the event of any such liability arises from the concurrent negligence of the indemnifying party and another Party, the indemnity obligation of this section shall apply only to the extent of the negligence of the indemnifying party and its actors.

The foregoing provisions specifically and expressly intend to constitute a waiver of each Party's immunity under industrial insurance, Title 51 RCW, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. This waiver has been mutually negotiated.

(e) *Filing of Agreement.* This Agreement shall become effective as of the Effective Date after it is duly adopted by the legislative authority of Seattle and County, executed by the Parties hereto and, pursuant to RCW 39.34.040, upon recording this Agreement or posting this Agreement on a Party's web site or other electronically retrievable public source.

(f) *No Separate Legal Entity.* The Parties hereto acknowledge and agree that the purpose of this Agreement is to facilitate the chartering of the Authority, an independent public corporation, by the County and the joint funding, administration, governance and operation of the Authority. No joint board or administrative entity within the meaning of RCW 39.34.030(3) is hereby created pursuant to this Agreement.

(g) *Labor Disputes.* Because labor disputes can lead to work stoppages or adversely impact the ability of the Authority to achieve desired outcomes, Seattle and the County agree and acknowledge that they have an interest in ensuring that the Authority's operations and progress are not interrupted or interfered with by work stoppages or other labor disputes. Accordingly, Seattle and the County agree to require the Authority and entities that contract with the Authority to adhere to labor laws, commit to promoting labor harmony, and take reasonable measures to avoid any work stoppages or labor disputes in their operations.

(h) *No Third Party Beneficiary Rights.* The provisions of this Agreement are for the sole benefit of the Parties and their successors and permitted assigns, and they will not be construed as conferring any rights to any third party (including any third party beneficiary rights).

(i) *Notice.* Any formal notice or communication to be given among the Parties to this Agreement shall be deemed properly given, if delivered either in physical or electronic means, or if mailed postage prepaid and addressed to:

King County
Attn: Leo Flor, Director, Department of Community and Human Services
401 Fifth Avenue, Suite 400
Mailstop CNK-HS-0400
Seattle, Washington 98104

City of Seattle
Attn: Jason Johnson, Acting Director, Human Services Department
700 Fifth Ave., Suite 5800
Seattle, Washington 98104

(j) *Counterparts.* This Agreement may be executed in any number of counterparts, each of whom shall be an original, but those counterparts will constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

[signature blocks to follow]